



STAFF REPORT

REPORT ON EMMETT HOUSE ALTERNATIVES

March 27, 2001

Honorable Mayor and Council Members:

Summary:

The Emmett House has a local Historical Landmark designation, but due to extensive modifications to the house, it has been rejected for inclusion on the National Historic Register. Staff has updated the costs associated with various alternatives for the Emmett House, including moving or removing the house. Since there are several issues with the property, it is recommended that:

1. Staff be directed to notify the College of Notre Dame that the Agency will not renew the current lease, but that a new lease may be made until a final determination has been made for the building;
2. The 60 square feet of Emmett House property in the parking lot be resolved;
3. Alternative 4 (Move the building to 1000 O'Neill with two LMI units) be selected;
4. Staff be directed to issue RFPs for an architect to design the move, estimate costs, and prepare bid documents for the move and restoration; and,
5. Concurrently, direct staff to develop appropriate historical elements on the site and/or in the historical downtown area to recognize the contributions of Frank Emmett to Belmont.

Background and Discussion:

A detailed report on the Agency's history of the Emmett House project is provided in Attachment 1. This report describes the various alternatives that have been proposed and the costs associated with each alternative.

The Emmett House was acquired for \$758,907 (\$379,453.50 from LMI and \$379,453.50 from RDA). A portion of the property (5,276 square feet) was sold along with other property (totaling 40,318 square feet) for \$750,000 for the Village Center project. The LMI fund is owed \$49,072 from the RDA for a 50% share of the proceeds. The driveway to the parking lot cuts across the southwest corner of the house property (60 square feet). This portion needs to be sold or an

easement negotiated with the Belmont Village Center.

The Emmett House has been designated locally by the City Council as an Historical landmark, however, the house has had too many alterations and has been rejected by the National Historic Register.

To date, the Agency's actions have been approval of the Planning Commission recommendations to:

1. Retain the house in its current location;
2. Work with the College of Notre Dame on a lease of the first floor;
3. Make \$80,000 in repairs, including: repairing first floor bathroom; removing the second story rear addition; incorporating a new stairwell;
4. Retain the first floor for commercial use and retain the second floor for residential use as one unit; and,
5. Add a widow's walk railing at the top of the structure.

Since the last cost estimates provided to the Agency, staff has also obtained estimates from a Termite Report, a Lead-based Paint/Asbestos Report, and has included estimated costs of moving or demolishing the building.

ALTERNATIVES

Ten alternatives are described in detail in Attachment 1 and provide a mix of uses including: commercial and one or two residential units; and, two or three residential units. Three sites are analyzed, including the current site, 1055 Sixth (across from Safeway), and 1000 O'Neill (across from Beli-Deli). Alternatives for selling the building (with or without demolition) are also included. The 1055 Sixth Street site is approximately the same size as the current site and would not provide off street parking for residents. Alternatives that sold the current property do not include an estimate of the proceeds of the sale of the property, but those proceeds will reduce the amount invested in the project by the LMI and RDA funds.

The following is a summary of the current funding needs for each of the alternatives (this chart does not include the \$686,019 already spent on this project):

SUMMARY of CURRENT NEEDS	USES	SOURCES		
		LMI	RDA	Non-LMI
Alt 1: 1 Commercial - 1 Residential	\$350,700	\$164,859	\$0	\$185,841
Alt 2: 1 Commercial - 2 Residential	\$395,500	\$209,659	\$0	\$185,841
Alt 3: 2 Commercial Units	\$235,700	-\$395,751	\$0	\$631,451
Alt 4 - 1000 O'Neill - 2 Residential*	\$944,400	\$886,370	\$58,030	\$0
Alt 5 - 1000 O'Neill - 3 Residential*	\$1,005,000	\$946,970	\$58,030	\$0
Alt 6 - 1055 Sixth – 2 Residential*	\$932,700	\$874,670	\$58,030	\$0
Alt 7 - 1055 Sixth – 3 Residential*	\$977,600	\$919,570	\$58,030	\$0
Alt 8 - Sell As-Is (2 LMI units)*	\$0	-\$52,741	\$52,741	\$0
Alt 9 - Sell As-Is (no LMI units)*	\$0	-\$65,369	\$65,369	\$0
Alt 10 - Demolition*	\$110,610	-\$65,369	\$175,979	\$0

* Amounts needed will be offset by the proceeds from the sale of the current property (50% to LMI)

and 50% to RDA)

PUBLIC INPUT

There have been four Planning Commission meetings and seven Redevelopment Agency meetings concerning the Emmett House. The Planning Commission provided for email comments in conjunction with the hearings on the Emmett House. The public input process required for future actions depends on which alternative is selected by the Agency. In summary, if the Agency decided to proceed with the previously approved renovations on the current site, then the Planning Commission would consider the Certificate of Appropriateness. If the building was moved or demolished, the public input process with the Planning Commission would need to start over.

FISCAL IMPACT SUMMARY

The Uses and Sources tables (see Attachment 1) for each of the Alternatives shows the costs spent to date by funding source and the amounts estimated to complete each of the alternatives. The non-LMI sources include the RDA fund, however, projects currently proposed for the RDA fund surpass the amounts available. There are no other funds available in the City budget for this project. There are possibilities for grant funds, however, the grants will come with a significant amount of additional requirements that will increase the costs to the extent that the new costs may also increase the City's/Agency's share of the costs.

RECOMMENDATIONS:

I. First Floor Lease

Direct staff to officially notify the College of Notre Dame that the City will not renew the current lease, but will negotiate a new lease that takes into account the time it will take before anything is done to the building.

II. Portion of Emmett House Lot in Village Center Parking Lot

If the Agency decides that the building will remain at the current site, it is recommended that the disposition of the 60 sf of the Emmett House lot that is in the Village Center parking lot be handled separately from work to be done at the house. If the Agency decides to move or demolish the building, it is recommended that the disposition of the 60 sf be handled in conjunction with the sale of the property.

III. Recommended Alternative

It is recommended that Alternative 4, Move the Building to 1000 O'Neill and modify it to accommodate two LMI residential units. The O'Neill site is the only alternative site that is large enough and has the least prior Agency investment. Two units are recommended instead of three for several reasons: (1) three units would require adding a kitchen on the second floor, thus reducing the second floor from a three bedroom unit to a studio unit plus a one bedroom unit; (2) it would increase the costs of the project without realizing significant changes in the rental income stream; (3) it would require less off-street parking, which would allow for more room to accommodate the restoration of the side porch; and, (4) since the City would manage the property, two units would be easier to manage and would reduce Agency costs for utilities.

Thus, the recommendation is to adopt Alternative 4 and direct staff to obtain an architect to

develop plans and bid documents. When the contract to move the building returns to the Agency, the process to sell the current property could begin. It is currently estimated that an additional \$886,500 of LMI funds will be needed, however, this figure will be reduced by half of the amount received from the sale of the property (the other half going to the RDA fund).

Respectfully submitted,

City Manager

Attachment